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ADMINISTRATION OF CELLULAR
SYSTEM IDENTIFICATION
NUMBERS

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FEDERAL COMMUNICATIONS
COMMISSION

NECA SERVICES' COMMENTS ON THE PRIVATIZATION OF CELLULAR SID
ADMINISTRATION

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Federal Communications Commission
Office of the Secretary

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NECA Services, Inc.' is pleased to provide these comments in response to Roger Noel's December 19, 2002 letter requesting input on the responsibilities of a Cellular System Identification Number (SID) Administrator and the suggested guidelines for the administration process. NECA Services is often selected to serve -as an administrator/manager of a wide-spectrum of complex governmental and telecommunications industry programs at both the federal and state level. Our reply will provide the Commission with comments based on NECA Services' experience and technical understanding of the most critical functions associated with successful third party administration.

1. Responsibilities of an Administrator

Function typically performed by a third party administrator (TPA) include:

- Project Management and Accountability
 - Day-to day operational oversight

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¹ NECA Services, Inc. was created by the National Exchange Carrier Association, Inc. (NECA) to assume responsibility for contract services and to pursue new business opportunities in a non-regulated environment with a focus on providing efficient and high quality service to clients.

- Review and certification of the eligibility of each applicant/participant according to criteria set forth by the regulatory agency or industry guidelines
 - Billing, collection and disbursement activities, as applicable
 - Comprehensive periodic reporting as required
- Customer service and communications, including call center support, as well as the development and maintenance of a website, training resources and documents
 - Regulatory relations and interface
 - Participant relations and interface
 - Participation in industry forums and/or discussions to stay abreast of changing industry needs and respond to industry questions
 - Dispute resolution
 - Quality control

In some cases, the functions of a system or project administrator may include:

- Program Implementation including the design, creation and maintenance of websites and databases
- Design and management of the systems, processes and procedures for daily operations, including those related to controlling potential fraud, waste, abuse and issues of data integrity
- Internal and external auditing

From program and process design, through internal and external auditing, the scope of a TPA's functionality can be quite broad, and as a result, should be very clearly defined through a set of guidelines.

2. Suaaested Guidelines for the Administrative Process

In order to ensure that the Administrators meet the needs of the Commission and the industry, and remain neutral while doing so, specific industry-approved guidelines should be in place. Such guidelines are designed to maximize the efficiency with which the program is administered as well as the overall effectiveness of the program itself. Guidelines should address both the processes and procedures of the Administrators as well as the processes and procedures of participants as they relate

to system interfaces and data reporting. Commission involvement in collaboration with other interested stakeholders is an essential element in a successful TPA relationship. The Alliance for Telecommunications Industry Solutions (ATIS) has several standing committees, all of which are involved in the development and ongoing maintenance of industry guidelines and documentation. To the extent that such an organization can provide input into the processes and procedures utilized by administrators and participating companies, it should be encouraged to do so. Utilizing industry supported standards rather than guidelines developed outside of that collaborative process helps to ensure that these standards are practical, cost-effective and timely.

Interfaces (for both communications and data transmission) with participants are generally both automated (e.g., use of email or an interactive website to access, complete and submit applicable forms and applications) and manual (e.g., US mail, call centers, fax, etc.). For example, NECA's Tariff No. 4 database is populated both manually and through automated uploads in order to accommodate participants' varied needs and technical capabilities.

Our experience indicates that generally a TPA can be implemented within 90 to 120 days from the time that a contract has been executed. That time can be affected if new or particularly complex information management tasks are involved or if new operational systems and procedures need to be designed, tested and implemented prior to start-up. Using existing data systems, interfaces and procedures as a starting point can certainly speed up this process.

Utilization of a TPA, such as NECA Services, often provides efficiencies and economies of scale not readily realizable if a governmental entity were to attempt to self-administer certain programs. For example, NECA Services utilizes a multi-disciplinary approach to administration, combining expertise in project management, forecasting, procedures and systems design, accounting, financial planning and management, cash and investment management, as well as billing and collection. While personnel with these skill sets may be on the staffs of government regulatory bodies, they are likely to be fully engaged and would need to be augmented by additional personnel. An efficient TPA can share its experienced professionals over a number of administrative projects, thereby providing significant savings.

3. Process to Coordinate Activities among Administrators

The industry currently contains many programs and/or processes for which only one administrator is responsible. There are also a few processes for which multiple administrators share responsibilities. Under the multiple administrator scenario, administrators generally either divide responsibilities based on well-defined criteria (e.g. by operating state, type of license, etc.) or they can compete for business in an open marketplace. In programs where the code set or transaction volume is tremendously large, as is the case with domain name registration, a multiple administrator scenario makes sense. Costs are split amongst administrators and customer requests can be addressed more quickly.

In order to coordinate the activities of multiple administrators without sacrificing process efficiency **and/or** data integrity, a centralized database, owned and supported by a single administrator, is recommended. This is the approach taken for the process of maintaining NECA Tariff FCC No. 4 data. That is, while a company can update their own data or engage the services of another entity to update data on their behalf, only NECA maintains the database's hardware, software and security.

Given the relatively small size and scope of the SID database, it may not be efficient to engage multiple administrators. The cost to the industry would be significantly reduced if resources required for the coordination of work efforts among administrators could be eliminated. A single administrator could more effectively oversee and assist the industry with adherence to established guidelines than if compliance to industry standards were decentralized. For example, ATIS engaged NECA Services as a TPA to assign unique four-character Company Codes to telecommunications service providers. Company Codes are assigned to ILECs, CLECs, ULECs, wireless carriers, local resellers and interexchange carriers, and are used throughout industry systems and documents to facilitate the exchange of information between companies. As Company Code Administrator, NECA Services also maintains a mechanized **website** and database containing more than 10,000 codes and their associated company information. In addition, NECA reviews merger and acquisition documents in order to assure that these transactions are reflected correctly in the Company Code database.

NECA Services is pleased to have the opportunity to submit the above comments in an effort to assist the Commission in developing guidelines defining the responsibilities of a Cellular SID Administrator. Regardless of the Commission's decision on the number of administrators engaged in the maintenance of this code set, NECA Services remains eager and willing to work with the Commission and with the industry as a whole to ensure that Cellular SID Administration is run smoothly and effectively.